NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) --- Paid-Up With 840 Acres Pooling Provision

PNum:11104.CIM

## PAID-UP OIL & GAS LEASE

(No Surface Use)

THIS LEASE AGREEMENT IS made this 1st day of September, 2016, by and between MONTY L. MOORE, whose address is 850 Lovers Lane, Grapovine, Texas 76051-4133, as Lessor, and Chesapeake Exploration, L.L.C. an Oklahoma limited liability company, PO Box 18496, Oklahoma City, OK 73154-0496, as Lessee. All printed portions of this lease were prepared by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared. Granevine. lointly by Lessor and Lessee.

In consideration of a cash bonus in hand paid and the covenants herein contained, Lassor hereby grants, lesses and lets exclusively to Lessee the following described land, hereinafter called leased premises:

0.1724 acres, more or less, situated in the Esther Moore Survey, A-1028, Tarrant County, Taxas, and the same land known as Lut 94, Sunshine Harbor Addition to the City of Grapevine. Tarrant County, Texas, according to the plat recorded in Volume 283-23, Page 34, Plat Records, Tarrant County, Texas, and being the same land described in dust certain Special Warranty Deed dated February 1, 1998 from Rhonda B. Moore in Munty L. Moore, recorded in Instrument No. D198141127, of the Official Public Records, Tarrant County, Texas.

in the County of <u>TARRANT</u>. State of TEXAS, containing <u>0.1724</u> gross acres, more or less (including any interests therein which Lessor may hereafter acquire by reversion, prescription or otherwise), for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and non hydrocarbon substances produced in association therewith (including geophysical/selsmic operations). The term "gas" as used herein includes hellum, carbon dioxide and other commercial gases, as well as hydrocarbon gases. In addition to the above-described leased pramises, this lease also covere accretions and eny small strips or parcels of land now or hereafter owned by Lessor which are contiguous or adjacent to the above-described leased pramises, and in consideration of the aforementationed cash bonus, Lessor agrees to execute all Lesses' request any additional or supplemental instruments for a more complete or actuate description of the land so covered. For the purpose of determining the amount of any shut-in royalties hereunder, the number of gross acres above specified shell be deamed correct, whether actually more or less.

- 2. This lease, which is a "paid-up" lease requiring no rentals, shall be in force for a primary term of THREE (3) years from the date hereof, and for as long thereafter as oil or gas or other substances covered hereby are produced in paying quantities from the leased premises or from lands pooled therewith or this sease is otherwise
- 3. Royalties on oil, gas and other substances produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's separator facilities, the royalty shall be Twenty Five-Percent (25%) of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the confinding right to purchase such production at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity; (b) for gas (including casinghead gas) and all other substances covered hereby, the royalty shall be Twenty Five-Percent (25%) of the proceeds realized by Lessee from the sale thereof, less a proportionate part of ed valorem taxes and production, severance, or other excise taxes and the costs incurred by Lessee in diskinging, processing or otherwise marketing such gas or other substances, provided that Lessee shall have the continuing right to purchase such production at the prevailing well-based market price paid for production of similar quality in the same field (or if there is no such price then prevailing right) to purchase such production at the prevailing well-based market price paid for production of similar quality in the same field (or if there is no such price then prevailing right to purchase such production at the prevailing price) pursuant to comparable purchase contracts entered into on the same or nearest preceding date as the date on which Lessee commences its purchases hereunder; and (c) if at the end of the primary term or any time thereafter one or more wells on the leased premises or lands pooled therewith are capable of either production; of or gas or other substances covered hereby in paying quantities or such
- 4. All shut-in royalty payments under this lease shall be paid or tendered to be soor or to beson's credit in at Lessor's address above or its successors, which shall be Lessor's depository agent for receiving payments regardless of changes in the ownership of said land. All payments or tenders may be made in currency, or by check or by draft and such payments or tenders to Lessor or to the depository by deposit in the US Mails in a stamped envelope addressed to the depository or to the Lessor at the its address known to Lessoe shall constitute proper payment. If the depository should liquidate or succeeded by another institution, or for any reason fall or refuse to accept payment hereunder, Lessor shall, at Lessee's request, deliver to Lessee a proper recordable instrument naming another institution as depository agent to receive
- payments.

  5. Except as provided for in Paragraph 3 above, if Lesse drills a well which is incapable of producing in paying quantities (hereinafter called "dry hole") on the leased premises or lands pooled therewith, or if all production (whether or not in paying quantities) permanently ceases from any cause, including a revision of unit boundaries pursuant to the provisions of Paragraph 6 or the action of any governmental authority, then in the event this lease is not otherwise being maintained in force it shall nevertheless remain in force if Lessee commences operations for reworking an existing well or for drilling an additional well or for otherwise obtaining or restoring production on the leased premises or lands pooled therewith within 90 days after completion or operations on such dry hole or within 90 days after such cessation of all production. If at the end of the primary term, or at any time thereafter, this lease is not otherwise being maintained in force but Lessee is then engaged in drilling, reworking or any other operations resounds to calculated to obtain or restore production therefrom, this lease shall remain in force so long at any one or more of such operations are prosecuted with no esseation of more than 90 consecutive days, and if any such operations result in the production of oil or gas or other substances covered hereby, as long thereafter as there is production in paying quantities from the leased premises or lands pooled therewith. After completion of a well capable of producing in paying quantities into the leased premises or lands pooled therewith as a reasonably product operation of the same or similar circumstances to (a) develop the leased premises or lands pooled therewith as a reasonably product operation of the lease of premises or lands pooled therewiths. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein. expressly provided herein.
- 7. If Lessor owns less than the full mineral estate in all or any part of the leased premises, the royalties and shut-in royalties payable hereunder for any well on any part of the leased premises or lands pooled therewith shall be reduced to the proportion that Lessor's interest in such part of the leased premises bears to the full mineral estate in such part of the leased premises.
- estate in such part of the leased premises.

  8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's contestible shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 80 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalities the control of the control of the satisfaction of Lessee and pay or tender such in royalities to the credit in the depository designated above. If at any time two or more persons are entitled to shut-in royalities hereunder. Lessee may pay or tender such in royalities to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be nitived of all obligations thereafor arising with respect to the transferred hieract, and failure of the transferred to satisfy such obligations with respect to the transferred hieract, that fight of Lessee with respect to the transferred hieract shall not affect the rights of Lessee with respect to the transferred hieract shall not affect the rights of Lessee with respect to the transferred hieract shall not affect the rights of Lessee with respect to the transferred hieract shall not affect the rights of Lessee with respect to the transferred hieract shall not affect the rights of Lessee.

- 9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones thereunder, and shall thereupon be releved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acrosse interest relatined hereunder.
- 10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary analor enhanced recovery, Lessee shall have the right of ingress and agrees along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pieliness, tanks, water wells, disposal wells, injection wells, pits, electric and telephone fines, power first facilities demend necessary by Lessee to discover, produce, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises, except water from Lessor's wells or power. In exploring, developing, producing or marketing from the leased premises or lands pooled therewith, the anciliary rights granted hereits shall apply (a) to the entire leased premises described in Pergraph 1 above, notwithstanding any partial reliese or other partial termination of this lease; and (b) to any other lands in which Lessor's now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by leaser in writing, Lessee shall bury its piperise below ordinary plow depth on cultivated lands. No well be to can other leases that 20 feet from any house or barn now on the leased premises or on the leased premises or unterlied premises or within a reasonable time thereafter.
- 11. Lessed's obligations under this lease, whether express or implied, shell be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells, and the price of oil, ges, and other substances covered hereby. When drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or essements, or by fire, floor, adverse weather conditions, war, sabotage, rebelling, insurrection, rot, strike or later disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within the seed's control, this lease shall not terminate because of such prevention or delay and at Lessee's confining, the profit of such prevention or delay arisin the added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.
- 12. In the event that Lessor, during the primary term of this lease, receives a bone fide offer which Lessor is willing to eccept from any party offering to purchase from Lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with the lease becoming effective upon expiration of this lease, Lessor hereby agrees to notify Lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fitteen days after receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein, covered by the offer at the price and according to the terms and conditions specified in the offer.
- 13. No litigation shall be initiated by Lessor with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and there is a final judicial determination that a breach or default has occurred, this lease shall not be torfeited or canceled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee falls to do so.
- 14. For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lassee, its successors and assigns, a perpetual subsurface well bore easement under and through the leased premises for the placement of well bores (along noutes eslected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of sind and which are not intended to develop the leased premises or inside spooled therewith and from which Lessor shall have no right to royally or other benefit. Such subsurface well bore easements shall run with the land and survive any termination of this lease.
- 15. Lessor hereby warrants and agrees to defend little conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or items existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim horosaltiestent with Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.
- Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other operations.
- 17. Lessor, and their successors and assigns, hereby grants Lessee an option to extend the primary term of this lease for an additional period of TWO (2) years from the end of the primary term by psyling or tendering to Lessor prior to the end of the primary term the same bonus consideration, terms and conditions as granted for this lease.
  - 18. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

DISCLAMMER OF REPRESENTATIONS: Lessor schoolwinedges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lesse without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor exknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Notither party to this lease will seek to after the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this tease has been executed by all parties hereinabove named as Lessor.

LESSOR (WHETHER ONE OR MORE) MONTY L MOORE ACKNOWLEDGEMENT STATE OF COUNTY OF TAIRON 2010 by MONTY L MOORE This instrument was acknowledged before me on the Survey Por Notary Public, State of Texas BILLY D. RODGER! Notary Public, State of Torres My Commission Report Notary's name (printed): Notary's commission expires: April 18, 2012 STATE OF COUNTY OF This instrument was acknowledged before me on the Notary Public, State of Texas Notary's name (printed): Notary's commission expires:

> Cimnarun Field Servius, Fai, 221 Bedford Rd, Swiete 100 Bedford to 76022

11104 OCIM

**COUNTY CLERK** 



100 West Weatherford Fort Worth, TX 76196-0401

PHONE (817) 884-1195

CIMMARON FIELD SRVS INC **221 BEDFORD RD 100** BEDFORD, TX 76022

Submitter: BILLY RODGERS

## **DO NOT DESTROY** WARNING - THIS IS PART OF THE OFFICIAL RECORD.

Filed For Registration:

9/2/2010 8:45 AM

Instrument #:

D210214500

LSE

3

**PGS** 

\$20.00

Denlessen

D210214500

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

Prepared by: DBWARD